



Tel: 214-969-7007
Fax: 214-953-0722
www.bdo.com

600 N. Pearl Street, Suite 1700
Dallas, TX 75201

BALANCE POWER PARTNERS LLC
Instructions for Filing
Form 8879-PE
2019 IRS e-file Signature Authorization for Form 1065
for the year ended December 31, 2019

The original form should be signed (using full name and title) and dated by an authorized general partner or limited liability company member manager of the partnership.

The signed form should be returned on or before September 15, 2020 to:

BDO USA, LLP
600 NORTH PEARL ST, SUITE 1700
DALLAS, TX 75201

DO NOT separately file a paper Form 1065 with the Internal Revenue Service. Doing so will delay the processing of your return.

We must receive your signed form before we can electronically transmit your return. The Internal Revenue Service will notify us when your return is accepted. Please note that the IRS does not consider your return as filed until they confirm acceptance of the return.

Form **8879-PE****IRS e-file Signature Authorization for Form 1065**

OMB No. 1545-0123

▶ ERO must obtain and retain completed Form 8879-PE.

▶ Go to www.irs.gov/Form8879PE for the latest information.**2019**Department of the Treasury
Internal Revenue Service

For calendar year 2019, or tax year beginning

, 2019, and ending

20

Name of partnership

Employer identification number

BALANCE POWER PARTNERS LLC**46-1615907****Part I Tax Return Information** (Whole dollars only)

1	Gross receipts or sales less returns and allowances (Form 1065, line 1c)	1	17,180,891.
2	Gross profit (Form 1065, line 3)	2	1,501,275.
3	Ordinary business income (loss) (Form 1065, line 22)	3	-1,157,945.
4	Net rental real estate income (loss) (Form 1065, Schedule K, line 2)	4	
5	Other net rental income (loss) (Form 1065, Schedule K, line 3c)	5	

Part II Declaration and Signature Authorization of Partner or Member
(Be sure to get a copy of the partnership's return)

Under penalties of perjury, I declare that I am a partner or member of the above partnership and that I have examined a copy of the partnership's 2019 electronic return of partnership income and accompanying schedules and statements and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that the amounts in Part I above are the amounts shown on the copy of the partnership's electronic return of partnership income. I consent to allow my electronic return originator (ERO), transmitter, or intermediate service provider to send the partnership's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission and (b) the reason for any delay in processing the return. I have selected a personal identification number (PIN) as my signature for the partnership's electronic return of partnership income.

Partner or Member's PIN: check one box only

- ☒ I authorize BDO USA, LLP to enter my PIN 8 3 2 3 2 as my signature
ERO firm name Don't enter all zeros
 on the partnership's 2019 electronically filed return of partnership income.
- ☐ As a partner or member of the partnership, I will enter my PIN as my signature on the partnership's 2019 electronically filed return of partnership income.

Partner or member's signature ▶

Title ▶ PRESIDENT OF MEMBER

Date ▶

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit EFIN followed by your five-digit self-selected PIN.

7	5	2	3	6	0	1	3	5	3	8
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Don't enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2019 electronically filed return of partnership income for the partnership indicated above. I confirm that I am submitting this return in accordance with the requirements of Pub. 3112, IRS e-file Application and Participation, and Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶

Brad L. Schubert

Date ▶

09/04/2020

ERO Must Retain This Form - See Instructions
Don't Submit This Form to the IRS Unless Requested To Do So

For Paperwork Reduction Act Notice, see instructions.

Form **8879-PE** (2019)

Form 1065 Department of the Treasury Internal Revenue Service	U.S. Return of Partnership Income For calendar year 2019, or tax year beginning _____, 2019, ending _____, 20_____. ▶ Go to www.irs.gov/Form1065 for instructions and the latest information.		OMB No. 1545-0123 2019
A Principal business activity CONSULTING SALE/LEASE B Principal product or service TRANSFORMER RECOVERY C Business code number 541618	Type or Print	D Employer identification number 46-1615907 E Date business started 01/01/2013 F Total assets (see instructions) \$ 2,018,722.	
Name of partnership BALANCE POWER PARTNERS LLC Number, street, and room or suite no. If a P.O. box, see instructions. 4040 NORTH CENTRAL EXPRESSWAY SUITE 850 City or town, state or province, country, and ZIP or foreign postal code DALLAS, TX 75204			
G Check applicable boxes: (1) <input type="checkbox"/> Initial return (2) <input type="checkbox"/> Final return (3) <input type="checkbox"/> Name change (4) <input type="checkbox"/> Address change (5) <input type="checkbox"/> Amended return H Check accounting method: (1) <input type="checkbox"/> Cash (2) <input checked="" type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ▶ _____ I Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ 2 J Check if Schedules C and M-3 are attached. _____ K Check if Partnership: (1) <input type="checkbox"/> Aggregated activities for section 465 at-risk purposes (2) <input type="checkbox"/> Grouped activities for section 469 passive activity purposes			
Caution: Include only trade or business income and expenses on lines 1a through 22 below. See instructions for more information.			
Income			
	1a	Gross receipts or sales.	17,180,891.
	1b	Returns and allowances.	
	1c	Balance. Subtract line 1b from line 1a.	17,180,891.
	2	Cost of goods sold (attach Form 1125-A).	15,679,616.
	3	Gross profit. Subtract line 2 from line 1c.	1,501,275.
	4	Ordinary income (loss) from other partnerships, estates, and trusts (attach statement).	
	5	Net farm profit (loss) (attach Schedule F (Form 1040 or 1040-SR)).	
	6	Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797).	
	7	Other income (loss) (attach statement).	
	8	Total income (loss). Combine lines 3 through 7.	1,501,275.
Deductions (see instructions for limitations)			
	9	Salaries and wages (other than to partners) (less employment credits).	1,615,100.
	10	Guaranteed payments to partners.	
	11	Repairs and maintenance.	
	12	Bad debts.	
	13	Rent.	141,411.
	14	Taxes and licenses. SEE STATEMENT. 1.	108,706.
	15	Interest (see instructions). SEE STATEMENT. 1.	37,377.
	16a	Depreciation (if required, attach Form 4562).	61,091.
	16b	Less depreciation reported on Form 1125-A and elsewhere on return.	61,091.
	16c		
	17	Depletion (Do not deduct oil and gas depletion).	
	18	Retirement plans, etc.	
	19	Employee benefit programs.	
	20	Other deductions (attach statement). SEE STATEMENT. 1.	756,626.
	21	Total deductions. Add the amounts shown in the far right column for lines 9 through 20.	2,659,220.
	22	Ordinary business income (loss). Subtract line 21 from line 8.	-1,157,945.
Tax and Payment			
	23	Interest due under the look-back method - completed long-term contracts (attach Form 8897).	
	24	Interest due under the look-back method - income forecast method (attach Form 8866).	
	25	BBA AAR imputed underpayment (see instructions).	
	26	Other taxes (see instructions).	
	27	Total balance due. Add lines 23 through 26.	
	28	Payment (see instructions).	
	29	Amount owed. If line 28 is smaller than line 27, enter amount owed.	
	30	Overpayment. If line 28 is larger than line 27, enter overpayment.	
Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than partner or limited liability company member) is based on all information of which preparer has any knowledge.		
	PRESIDENT OF MEMBER E PATRICK JENEVEIN I Signature of partner or limited liability company member		
	Date		
Paid Preparer Use Only	Print/Type preparer's name BRANDY L ARBUTHNOT, CPA Firm's name ▶ BDO USA, LLP Firm's address ▶ 600 NORTH PEARL ST, SUITE 1700 DALLAS, TX 75201		
	Preparer's signature <i>Brandy L Arbuthnot</i> Date 09/04/2020		
	Check <input type="checkbox"/> If self-employed PTIN P00535650 Firm's EIN ▶ 13-5381590 Phone no. 214-969-7007		

Schedule B Other Information

1 What type of entity is filing this return? Check the applicable box:				Yes	No
a <input type="checkbox"/> Domestic general partnership	b <input type="checkbox"/> Domestic limited partnership				
c <input checked="" type="checkbox"/> Domestic limited liability company	d <input type="checkbox"/> Domestic limited liability partnership				
e <input type="checkbox"/> Foreign partnership	f <input type="checkbox"/> Other ►				
2 At the end of the tax year:					
a Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization, or any foreign government own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If "Yes," attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership				X	
b Did any individual or estate own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If "Yes," attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership					X
3 At the end of the tax year, did the partnership:					
a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (iv) below					X
(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock		
b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below					X
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital	
4 Does the partnership satisfy all four of the following conditions?				Yes	No
a The partnership's total receipts for the tax year were less than \$250,000.					
b The partnership's total assets at the end of the tax year were less than \$1 million.					
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.					
d The partnership is not filing and is not required to file Schedule M-3. If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; item F on page 1 of Form 1065; or item L on Schedule K-1.					X
5 Is this partnership a publicly traded partnership, as defined in section 469(k)(2)?					X
6 During the tax year, did the partnership have any debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt?					X
7 Has this partnership filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction?					X
8 At any time during calendar year 2019, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR). If "Yes," enter the name of the foreign country. ►					X
9 At any time during the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts. See instructions					X
10 a Is the partnership making, or had it previously made (and not revoked), a section 754 election? See instructions for details regarding a section 754 election.					X
b Did the partnership make for this tax year an optional basis adjustment under section 743(b) or 734(b)? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions					X

Form 1065 (2019) **BALANCE POWER PARTNERS LLC**46-1615907 Page **3****Schedule B Other Information (continued)**

	Yes	No
c Is the partnership required to adjust the basis of partnership assets under section 743(b) or 734(b) because of a substantial built-in loss (as defined under section 743(d)) or substantial basis reduction (as defined under section 734(d))? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions		X
11 Check this box if, during the current or prior tax year, the partnership distributed any property received in a like-kind exchange or contributed such property to another entity (other than disregarded entities wholly owned by the partnership throughout the tax year) <input type="checkbox"/>		
12 At any time during the tax year, did the partnership distribute to any partner a tenancy-in-common or other undivided interest in partnership property?		X
13 If the partnership is required to file Form 8858, Information Return of U.S. Persons With Respect To Foreign Disregarded Entities (FDEs) and Foreign Branches (FBs), enter the number of Forms 8858 attached. See instructions		
14 Does the partnership have any foreign partners? If "Yes," enter the number of Forms 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax, filed for this partnership		X
15 Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to this return		
16a Did you make any payments in 2019 that would require you to file Form(s) 1099? See instructions		X
b If "Yes," did you or will you file required Form(s) 1099?		X
17 Enter the number of Forms 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations, attached to this return		
18 Enter the number of partners that are foreign governments under section 892		
19 During the partnership's tax year, did the partnership make any payments that would require it to file Form 1042 and 1042-S under chapter 3 (sections 1441 through 1464) or chapter 4 (sections 1471 through 1474)?		X
20 Was the partnership a specified domestic entity required to file Form 8938 for the tax year? See the Instructions for Form 8938		X
21 Is the partnership a section 721(c) partnership, as defined in Regulations section 1.721(c)-1T(b)(14)?		X
22 During the tax year, did the partnership pay or accrue any interest or royalty for which the deduction is not allowed under section 267A? See instructions If "Yes," enter the total amount of the disallowed deductions \$		X
23 Did the partnership have an election under section 163(j) for any real property trade or business or any farming business in effect during the tax year? See instructions		X
24 Does the partnership satisfy one or more of the following? See instructions a The partnership owns a pass-through entity with current, or prior year carryover, excess business interest expense. b The partnership's aggregate average annual gross receipts (determined under section 448(c)) for the 3 tax years preceding the current tax year are more than \$26 million and the partnership has business interest. c The partnership is a tax shelter (see instructions) and the partnership has business interest expense. If "Yes" to any, complete and attach Form 8990.		X
25 Is the partnership electing out of the centralized partnership audit regime under section 6221(b)? See instructions. If "Yes," the partnership must complete Schedule B-2 (Form 1065). Enter the total from Schedule B-2, Part III, line 3 If "No," complete Designation of Partnership Representative below.		X

Designation of Partnership Representative (see instructions)

Enter below the information for the partnership representative (PR) for the tax year covered by this return.

Name of PR ► **THE NOLAN GROUP, INC.**

U.S. address of PR ►	4040 NORTH CENTRAL EXPRESSWAY DALLAS, TX 75204	U.S. phone number of PR ►	214-368-0894
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If the PR is an entity, name of the designated individual for the PR ► **E. PATRICK JENEVEIN III**

U.S. address of designated individual ►	4040 NORTH CENTRAL EXPRESSWAY DALLAS, TX 75204	U.S. phone number of designated individual ►	(214) 368-0894
-----------------------------------------	-----------------------------------------------------------	----------------------------------------------	-----------------------

26 Is the partnership attaching Form 8996 to certify as a Qualified Opportunity Fund? If "Yes," enter the amount from Form 8996, line 14 \$		X
27 Enter the number of foreign partners subject to section 864(c)(8) as a result of transferring all or a portion of an interest in the partnership or of receiving a distribution from the partnership.		
28 At any time during the tax year, were there any transfers between the partnership and its partners subject to the disclosure requirements of Regulations section 1.707-8?		X

Form **1065** (2019)

Form 1065 (2019) **BALANCE POWER PARTNERS LLC**

46-1615907 Page 4

Schedule K Partners' Distributive Share Items

		Total amount
Income (Loss)	1 Ordinary business income (loss) (page 1, line 22)	1 -1,157,945.
	2 Net rental real estate income (loss) (attach Form 8825).	2
	3a Other gross rental income (loss) 3a	
	b Expenses from other rental activities (attach statement) 3b	
	c Other net rental income (loss). Subtract line 3b from line 3a 3c	
	4 Guaranteed payments: a Services 4a b Capital 4b	
	c Total. Add lines 4a and 4b. 4c	
	5 Interest income SEE. STATEMENT. 2. 5	13,159.
	6 Dividends and dividend equivalents: a Ordinary dividends 6a	
	b Qualified dividends 6b c Dividend equivalents 6c	
	7 Royalties 7	
8 Net short-term capital gain (loss) (attach Schedule D (Form 1065)) 8		
9a Net long-term capital gain (loss) (attach Schedule D (Form 1065)) 9a		
b Collectibles (28%) gain (loss) 9b		
c Unrecaptured section 1250 gain (attach statement) 9c		
10 Net section 1231 gain (loss) (attach Form 4797) 10		
11 Other income (loss) (see instructions) Type ▶ 11		
Deductions	12 Section 179 deduction (attach Form 4562) 12	
	13a Contributions 13a	
	b Investment interest expense 13b	
	c Section 59(e)(2) expenditures: (1) Type ▶ (2) Amount ▶ 13c(2)	
d Other deductions (see instructions) Type ▶ 13d		
Self-Employment	14a Net earnings (loss) from self-employment 14a	
	b Gross farming or fishing income 14b	
	c Gross nonfarm income 14c	
Credits	15a Low-income housing credit (section 42(j)(5)) 15a	
	b Low-income housing credit (other). 15b	
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable) 15c	
	d Other rental real estate credits (see instructions) Type ▶ 15d	
	e Other rental credits (see instructions) Type ▶ 15e	
	f Other credits (see instructions) Type ▶ 15f	
Foreign Transactions	16a Name of country or U.S. possession ▶ 16a	
	b Gross income from all sources 16b	
	c Gross income sourced at partner level 16c	
	Foreign gross income sourced at partnership level	
	d Reserved for future use ▶ e Foreign branch category ▶ 16e	
	f Passive category ▶ g General category ▶ h Other (attach statement) ▶ 16h	
	Deductions allocated and apportioned at partner level	
	i Interest expense ▶ j Other ▶ 16j	
	Deductions allocated and apportioned at partnership level to foreign source income	
	k Reserved for future use ▶ l Foreign branch category ▶ 16l	
	m Passive category ▶ n General category ▶ o Other (attach statement) ▶ 16o	
	p Total foreign taxes (check one): ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/> 16p	
q Reduction in taxes available for credit (attach statement). 16q		
r Other foreign tax information (attach statement)		
Alternative Minimum Tax (AMT) Items	17a Post-1986 depreciation adjustment 17a	
	b Adjusted gain or loss 17b	
	c Depletion (other than oil and gas) 17c	
	d Oil, gas, and geothermal properties - gross income 17d	
	e Oil, gas, and geothermal properties - deductions 17e	
	f Other AMT items (attach statement) 17f	
Other Information	18a Tax-exempt interest income 18a	
	b Other tax-exempt income. 18b	
	c Nondeductible expenses SEE. STATEMENT. 2. 18c	7,578.
	19a Distributions of cash and marketable securities 19a	
	b Distributions of other property 19b	
	20a Investment income 20a	13,159.
b Investment expenses 20b		
c Other items and amounts (attach statement) SEE. STATEMENT. 2		

Analysis of Net Income (Loss)

1 Net income (loss). Combine Schedule K, lines 1 through 11. From the result, subtract the sum of Schedule K, lines 12 through 13d, and 16p						1	-1,144,786.
2 Analysis by partner type:		(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt Organization	(vi) Nominee/Other
a General partners							
b Limited partners		-1,144,786.					

Schedule L Balance Sheets per Books

		Beginning of tax year		End of tax year	
Assets		(a)	(b)	(c)	(d)
1 Cash			1,088,052.		44,407.
2a Trade notes and accounts receivable		3,590,070.		1,738,979.	
b Less allowance for bad debts			3,590,070.		1,738,979.
3 Inventories			46,819.		46,819.
4 U.S. government obligations					
5 Tax-exempt securities					
6 Other current assets (attach statement)	STMT 3		31,052.		27,274.
7a Loans to partners (or persons related to partners)					
b Mortgage and real estate loans					
8 Other investments (attach statement)					
9a Buildings and other depreciable assets		104,101.		165,192.	
b Less accumulated depreciation		6,021.	98,080.	12,042.	153,150.
10a Depletable assets					
b Less accumulated depletion					
11 Land (net of any amortization)					
12a Intangible assets (amortizable only)		23,934.		25,495.	
b Less accumulated amortization		16,140.	7,794.	17,402.	8,093.
13 Other assets (attach statement)					
14 Total assets			4,861,867.		2,018,722.
Liabilities and Capital					
15 Accounts payable			1,074,278.		2,025,578.
16 Mortgages, notes, bonds payable in less than 1 year					
17 Other current liabilities (attach statement)	STMT 3		6,136,801.		3,420,384.
18 All nonrecourse loans					
19a Loans from partners (or persons related to partners)					
b Mortgages, notes, bonds payable in 1 year or more					
20 Other liabilities (attach statement)	STMT 3		279,418.		298,614.
21 Partners' capital accounts			-2,628,630.		-3,725,854.
22 Total liabilities and capital			4,861,867.		2,018,722.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note: The partnership may be required to file Schedule M-3. See instructions.

1 Net income (loss) per books	-1,097,224.	6 Income recorded on books this year not included on Schedule K, lines 1 through 11 (itemize):	
2 Income included on Schedule K, lines 1, 2, 3c, 5, 6a, 7, 8, 9a, 10, and 11, not recorded on books this year (itemize):		a Tax-exempt interest \$	
3 Guaranteed payments (other than health insurance)		7 Deductions included on Schedule K, lines 1 through 13d, and 16p, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 13d, and 16p (itemize):		a Depreciation \$	55,070.
a Depreciation \$		SEE STATEMENT 3	70.
b Travel and entertainment \$	7,578.	8 Add lines 6 and 7	55,140.
5 Add lines 1 through 4	-1,089,646.	9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5	-1,144,786.

Schedule M-2 Analysis of Partners' Capital Accounts

1 Balance at beginning of year	-2,628,630.	6 Distributions: a Cash	
2 Capital contributed: a Cash		b Property	
b Property		7 Other decreases (itemize):	
3 Net income (loss) per books	-1,097,224.	8 Add lines 6 and 7	
4 Other increases (itemize):		9 Balance at end of year. Subtract line 8 from line 5	-3,725,854.
5 Add lines 1 through 4	-3,725,854.		

Form **1125-A**
(Rev. November 2018)
Department of the Treasury
Internal Revenue Service

Cost of Goods Sold

► Attach to Form 1120, 1120-C, 1120-F, 1120S, or 1065.
► Go to www.irs.gov/Form1125A for the latest information.

OMB No. 1545-0123

Name BALANCE POWER PARTNERS LLC		Employer identification number 46-1615907	
1	Inventory at beginning of year.	1	46,819.
2	Purchases	2	
3	Cost of labor	3	2,160,262.
4	Additional section 263A costs (attach schedule).	4	
5	Other costs (attach schedule). SEE STATEMENT 4.	5	13,519,354.
6	Total. Add lines 1 through 5	6	15,726,435.
7	Inventory at end of year.	7	46,819.
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on Form 1120, page 1, line 2 or the appropriate line of your tax return. See instructions.	8	15,679,616.

9a Check all methods used for valuing closing inventory:

(i) ☐ Cost

(ii) ☐ Lower of cost or market

(iii) ☐ Other (Specify method used and attach explanation.) ►

b Check if there was a writedown of subnormal goods ☐

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970). ☐

d If the LIFO inventory method was used for this tax year, enter amount of closing inventory computed under LIFO. **9d**

e If property is produced or acquired for resale, do the rules of section 263A apply to the entity? See instructions . . . ☐ Yes ☒ No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation ☐ Yes ☒ No

Section references are to the Internal Revenue Code unless otherwise noted.

What's New

Small business taxpayers. For tax years beginning after December 31, 2017, the following apply.

- A small business taxpayer (defined below), may use a method of accounting for inventories that either: (1) treats inventories as nonincidental materials and supplies, or (2) conforms to the taxpayer's financial accounting treatment of inventories.
- A small business taxpayer is not required to capitalize costs under section 263A.

General Instructions

Purpose of Form

Use Form 1125-A to calculate and deduct cost of goods sold for certain entities.

Who Must File

Filers of Form 1120, 1120-C, 1120-F, 1120S, or 1065, must complete and attach Form 1125-A if the applicable entity reports a deduction for cost of goods sold.

Inventories

Generally, inventories are required at the beginning and end of each tax year if the production, purchase, or sale of

merchandise is an income-producing factor. See Regulations section 1.471-1. If inventories are required, you generally must use an accrual method of accounting for sales and purchases of inventory items.

Exception for certain taxpayers. A small business taxpayer (defined below), can adopt or change its accounting method to account for inventories in the same manner as material and supplies that are non-incidental, or conform to its treatment of inventories in an applicable financial statement (as defined in section 451(b)(3)), or if it does not have an applicable financial statement, the method of accounting used in its books and records prepared in accordance with its accounting procedures. See section 471(c)(3).

A small business taxpayer claiming exemption from the requirement to keep inventories is changing its method of accounting for purposes of section 481. For additional guidance on this method of accounting, see Pub. 538, Accounting Periods and Methods. For guidance on changing to this method of accounting, see Form 3115 and the Instructions for Form 3115.

Small business taxpayer. A small business taxpayer is a taxpayer that (a) has average annual gross receipts of \$25 million or less (indexed for inflation) for the 3 prior tax years, and (b) is not a tax shelter (as defined in section 448(d)(3)). See Pub. 538.

Uniform capitalization rules. The uniform capitalization rules of section 263A generally require you to capitalize, or include in inventory, certain costs incurred in connection with the following.

- The production of real property and tangible personal property held in inventory or held for sale in the ordinary course of business.
- Real property or personal property (tangible and intangible) acquired for resale.
- The production of real property and tangible personal property for use in its trade or business or in an activity engaged in for profit.

A small business taxpayer (defined above) is not required to capitalize costs under section 263A. See section 263A(i).

See the discussion on section 263A uniform capitalization rules in the instructions for your tax return before completing Form 1125-A. Also see Regulations sections 1.263A-1 through 1.263A-3. See Regulations section 1.263A-4 for rules for property produced in a farming business.

**SCHEDULE B-1
(Form 1065)**

(Rev. August 2019)

Department of the Treasury
Internal Revenue Service**Information on Partners Owning 50% or
More of the Partnership**

▶ Attach to Form 1065.

▶ Go to www.irs.gov/Form1065 for the latest information.

OMB No. 1545-0123

Name of partnership

BALANCE POWER PARTNERS LLC

Employer identification number (EIN)

46-1615907

Part I **Entities Owning 50% or More of the Partnership** (Form 1065, Schedule B, Question 2a (Question 3a for 2009 through 2017))

Complete columns (i) through (v) below for any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, tax-exempt organization, or any foreign government that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital
THE NOLAN GROUP, INC.	75-2122228	S CORP	US	100.000

Part II **Individuals or Estates Owning 50% or More of the Partnership** (Form 1065, Schedule B, Question 2b (Question 3b for 2009 through 2017))

Complete columns (i) through (iv) below for any individual or estate that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

(i) Name of Individual or Estate	(ii) Identifying Number (if any)	(iii) Country of Citizenship (see instructions)	(iv) Maximum Percentage Owned in Profit, Loss, or Capital

For Paperwork Reduction Act Notice, see the Instructions for Form 1065.

Schedule B-1 (Form 1065) (Rev. 8-2019)

Form **4562**Department of the Treasury
Internal Revenue Service (99)**Depreciation and Amortization**
(Including Information on Listed Property)

▶ Attach to your tax return.

▶ Go to www.irs.gov/Form4562 for instructions and the latest information.

OMB No. 1545-0172

2019Attachment
Sequence No. **179**

Name(s) shown on return

BALANCE POWER PARTNERS LLC

Business or activity to which this form relates

BALANCE POWER PARTNERS LLC

Identifying number

46-1615907

Part I Election To Expense Certain Property Under Section 179**Note:** If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	1,020,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,550,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2018 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instructions	11	
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2020. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.**Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property. See instructions.)**

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year. See instructions	14	61,091.
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Don't include listed property. See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2019	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		

Section B - Assets Placed in Service During 2019 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	

Section C - Assets Placed in Service During 2019 Tax Year Using the Alternative Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 30-year			30 yrs.	MM	S/L	
d 40-year			40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions.	22	61,091.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

JSA 9X2300 2.000

Form **4562** (2019)

BALANCE POWER PARTNERS LLC
Form 4562 (2019)46-1615907
Page 2**Part V Listed Property** (Include automobiles, certain other vehicles, certain aircraft, and property used for entertainment, recreation, or amusement.)**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.**Section A - Depreciation and Other Information** (Caution: See the instructions for limits for passenger automobiles.)**24a** Do you have evidence to support the business/investment use claimed? **Yes** **No** **24b** If "Yes," is the evidence written? **Yes** **No**

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use. See instructions 25								
26 Property used more than 50% in a qualified business use:								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use:								
		%				S/L -		
		%				S/L -		
		%				S/L -		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1. 28								
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1. 29								

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1	(b) Vehicle 2	(c) Vehicle 3	(d) Vehicle 4	(e) Vehicle 5	(f) Vehicle 6
30 Total business/investment miles driven during the year (don't include commuting miles)						
31 Total commuting miles driven during the year						
32 Total other personal (noncommuting) miles driven						
33 Total miles driven during the year. Add lines 30 through 32						
34 Was the vehicle available for personal use during off-duty hours?	Yes	No	Yes	No	Yes	No
35 Was the vehicle used primarily by a more than 5% owner or related person?						
36 Is another vehicle available for personal use?						

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who aren't more than 5% owners or related persons. See instructions.

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? See instructions		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," don't complete Section B for the covered vehicles.**Part VI Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2019 tax year (see instructions):					
ORGANIZATION COSTS	04/25/2019	781.	248	15.000	35.
ORGANIZATION COSTS	04/25/2019	781.	248	15.000	35.
43 Amortization of costs that began before your 2019 tax year.					43
44 Total. Add amounts in column (f). See the instructions for where to report					44
					1,263.
					1,333.

46-1615907

GENERAL TRADE OR BUSINESS

9X9027 1.000

2019 Depreciation

BALANCE POWER PARTNERS LLC

46-1615907

[illegible]

*Assets Retired

JSA
9X9027 1.000

2019 Amortization

BALANCE POWER PARTNERS LLC

46-1615907

[illegible]

* Assets Retired

JSA
9X9026 1.000

BALANCE POWER PARTNERS LLC
FORM 1065 SUPPORTING SCHEDULES

46-1615907

=====

LINE 14 - PAGE 1 - TAXES

=====

PAYROLL TAXES	108,706.

TOTAL TAXES	108,706.
	=====

LINE 15 - PAGE 1 - DEDUCTIBLE INTEREST EXPENSE NOT CLAIMED ELSEWHERE

=====

INTEREST EXPENSE	37,377.

TOTAL DEDUCTIBLE INTEREST EXPENSE	37,377.
	=====

LINE 20 - SUMMARY OF TRAVEL, MEALS AND ENTERTAINMENT

=====

NET MEALS & ENTERTAINMENT	7,578.

TOTAL	7,578.
	=====

LINE 20 - PAGE 1 - OTHER DEDUCTIONS

=====

AMORTIZATION	1,333.
TRAVEL, MEALS, AND ENTERTAINMENT	7,578.
CONSULTING	230,558.
TRAVEL	210,474.
PROFESSIONAL FEES	5,500.
OFFICE EXPENSES	12,038.
PHONE & INTERNET	21,505.
BANK CHARGES	135.
POSTAGE & SHIPPING	1,484.
INSURANCE EXPENSE	73,340.
WASTE DISPOSAL	5,183.
LEGAL EXPENSE	171,921.
PAYROLL PROCESSING FEES	8,436.
SEMINARS	56.
DUES/SUBSCRIPTIONS/FEES	3,302.
ADVERTISING PROMOTIONS	3,783.

TOTAL OTHER DEDUCTIONS	756,626.
	=====

BALANCE POWER PARTNERS LLC
FORM 1065 SUPPORTING SCHEDULES

46-1615907

=====

SCHEDULE K - LINE 5 - INTEREST INCOME

=====

OTHER INTEREST INCOME

INTEREST INCOME

13,159.

TOTAL INTEREST INCOME

13,159.

=====

SCHEDULE K - LINE 18C - NONDEDUCTIBLE EXPENSES

=====

TRAVEL AND ENTERTAINMENT EXPENSES - NONDEDUCTIBLE PORTION

7,578.

TOTAL NONDEDUCTIBLE EXPENSES

7,578.

=====

SCHEDULE K - LINE 20C - OTHER

=====

SEC 199A INFORMATION - QBI INCOME:

TRADE/BUSINESS-ORD BUSINESS INCOME (LOSS) -1,157,945.

TOTAL TRADE/BUSINESS

-1,157,945.

SEC 199A INFORMATION - W-2 WAGES:

TRADE/BUSINESS

3,775,362.

SEC 199A INFORMATION - UBIA:

TRADE/BUSINESS

165,193.

BALANCE POWER PARTNERS LLC
FORM 1065, SUPPORTING SCHEDULES

46-1615907

SCHEDULE L - LINE 6 - OTHER CURRENT ASSETS	BEGINNING	ENDING
PREPAID EXPENSES	15,378.	405.
PREPAID INSURANCE	15,274.	26,469.
PREPAID RENT DEPOSITS	400.	400.
TOTAL OTHER CURRENT ASSETS	31,052.	27,274.

SCHEDULE L - LINE 17 - OTHER CURRENT LIABILITIES	BEGINNING	ENDING
DUE TO PARTNER - NOLAN GROUP	2,546,731.	2,363,325.
NOTE PAYABLE - IEC	NONE	955,531.
DEFERRED REVENUE	3,590,070.	101,528.
TOTAL OTHER CURRENT LIABILITIES	6,136,801.	3,420,384.

SCHEDULE L - LINE 20 - OTHER LIABILITIES	BEGINNING	ENDING
NOTE PAYABLE - JENEVEIN	101,533.	120,729.
NOTE PAYABLE - PETE WATSON	177,885.	177,885.
TOTAL OTHER LIABILITIES	279,418.	298,614.

SCHEDULE M-1 - LINE 7A - OTHER DEDUCTIONS IN RETURN NOT ON BOOKS	
AMORTIZATION	70.
TOTAL DEDUCTIONS ON TAX RETURN NOT CHARGED AGAINST BOOK INCOME	70.

BALANCE POWER PARTNERS LLC
FORM 1065 SUPPORTING SCHEDULES

46-1615907

=====

EQUIPMENT RENTAL	227,245.
INSPECTION	225,573.
WAREHOUSE SUPPLIES & EXPENSES	177,375.
SHIPPING, FREIGHT & DELIVERY	270,382.
OTHER COST OF GOODS SOLD	12,291,232.
EXTENSION COSTS	162,500.
WAREHOUSE/STORAGE RENTAL	103,956.
OTHER COST OF GOODS SOLD - DEPRECIATION	61,091.

TOTAL COST OF GOODS SOLD AND/OR OPERATIONS - OTHER COSTS	13,519,354.
----------------------------------------------------------	-------------

**Schedule K-1
(Form 1065)**Department of the Treasury
Internal Revenue Service**2019**

For calendar year 2019, or tax year

beginning ending **Partner's Share of Income, Deductions,
Credits, etc.**

▶ See back of form and separate instructions.

Part I Information About the Partnership**A** Partnership's employer identification number

46-1615907

B Partnership's name, address, city, state, and ZIP codeBALANCE POWER PARTNERS LLC
4040 NORTH CENTRAL EXPRESSWAY
DALLAS, TX 75204**C** IRS Center where partnership filed return ▶ **EFILE****D** ☐ Check if this is a publicly traded partnership (PTP)**Part II Information About the Partner****E** Partner's SSN or TIN (Do not use TIN of a disregarded entity. See inst.)

75-2122228

F Name, address, city, state, and ZIP code for partner entered in E. See instructions.THE NOLAN GROUP, INC.
4040 NORTH CENTRAL EXPRESSWAY
SUITE 850
DALLAS, TX 75204**G** ☒ General partner or LLC member-manager ☐ Limited partner or other LLC member**H1** ☒ Domestic partner ☐ Foreign partner**H2** ☐ If the partner is a disregarded entity (DE), enter the partner's:TIN Name **I1** What type of entity is this partner? S CORPORATION**I2** If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here ☐**J** Partner's share of profit, loss, and capital (see instructions):

	Beginning		Ending	
Profit	100.000000	%	100.000000	%
Loss	100.000000	%	100.000000	%
Capital	100.000000	%	100.000000	%

Check if decrease is due to sale or exchange of partnership interest ☐**K** Partner's share of liabilities:

	Beginning	Ending
Nonrecourse \$		\$
Qualified nonrecourse financing \$		\$
Recourse \$	7,490,497.	\$ 5,744,577.

☐ Check this box if Item K includes liability amounts from lower tier partnerships.**L Partner's Capital Account Analysis**

Beginning capital account. \$ -2,628,630.

Capital contributed during the year . . . \$

Current year net income (loss). \$ -1,097,224.

Other increase (decrease) (attach explanation) \$

Withdrawals & distributions \$ ()

Ending capital account \$ -3,725,854.

M Did the partner contribute property with a built-in gain or loss?☐ Yes ☒ No If "Yes," attach statement. See instructions.**N Partner's Share of Net Unrecognized Section 704(c) Gain or (Loss)**

Beginning \$

Ending \$

☐ Final K-1☐ Amended K-1651119
OMB No. 1545-0123**Part III Partner's Share of Current Year Income,
Deductions, Credits, and Other Items**

1	Ordinary business income (loss)	15	Credits
	-1,157,945.		
2	Net rental real estate income (loss)		
3	Other net rental income (loss)	16	Foreign transactions
4a	Guaranteed payments for services		
4b	Guaranteed payments for capital		
4c	Total guaranteed payments		
5	Interest income		
*	13,159.		
6a	Ordinary dividends		
6b	Qualified dividends		
6c	Dividend equivalents	17	Alternative minimum tax (AMT) items
7	Royalties		
8	Net short-term capital gain (loss)		
9a	Net long-term capital gain (loss)	18	Tax-exempt income and nondeductible expenses
9b	Collectibles (28%) gain (loss)	C *	7,578.
9c	Unrecaptured section 1250 gain		
10	Net section 1231 gain (loss)		
11	Other income (loss)	19	Distributions
12	Section 179 deduction	A	13,159.
13	Other deductions	Z *	STMT
14	Self-employment earnings (loss)		
21	More than one activity for at-risk purposes*		
22	More than one activity for passive activity purposes*		

*See attached statement for additional information.

For IRS Use Only

PARTNER # 1 THE NOLAN GROUP, INC.

Schedule K-1 (Form 1065) 2019

Page 2

This list identifies the codes used on Schedule K-1 for all partners and provides summarized reporting information for partners who file Form 1040 or 1040-SR. For detailed reporting and filing information, see the separate Partner's Instructions for Schedule K-1 and the instructions for your income tax return.

1. **Ordinary business income (loss).** Determine whether the income (loss) is passive or nonpassive and enter on your return as follows.

Passive loss See the Partner's Instructions
 Passive income Schedule E, line 28, column (h)
 Nonpassive loss See the Partner's Instructions
 Nonpassive income Schedule E, line 28, column (k)
 2. **Net rental real estate income (loss)** See the Partner's Instructions
 3. **Other net rental income (loss)**

Net income Schedule E, line 28, column (h)
 Net loss See the Partner's Instructions

- 4a. **Guaranteed payment Services** See the Partner's Instructions
 4b. **Guaranteed payment Capital** See the Partner's Instructions
 4c. **Guaranteed payment Total** See the Partner's Instructions
 5. **Interest income** Form 1040 or 1040-SR, line 2b
 6a. **Ordinary dividends** Form 1040 or 1040-SR, line 3b
 6b. **Qualified dividends** Form 1040 or 1040-SR, line 3a
 6c. **Dividend equivalents** See the Partner's Instructions
 7. **Royalties** Schedule E, line 4
 8. **Net short-term capital gain (loss)** Schedule D, line 5
 9a. **Net long-term capital gain (loss)** Schedule D, line 12
 9b. **Collectibles (28%) gain (loss)** 28% Rate Gain Worksheet, line 4 (Schedule D instructions)

- 9c. **Unrecaptured section 1250 gain** See the Partner's Instructions
 10. **Net section 1231 gain (loss)** See the Partner's Instructions
 11. **Other income (loss)**

Code
 A Other portfolio income (loss) See the Partner's Instructions
 B Involuntary conversions See the Partner's Instructions
 C Sec. 1256 contracts & straddles Form 6781, line 1
 D Mining exploration costs recapture See Pub. 535
 E Cancellation of debt
 F Section 743(b) positive adjustments
 G Section 965(a) inclusion
 H Income under subpart F (other than inclusions under sections 951A and 965)

- I Other income (loss) See the Partner's Instructions
 12. **Section 179 deduction** See the Partner's Instructions

13. **Other deductions**

A Cash contributions (60%)
 B Cash contributions (30%)
 C Noncash contributions (50%)
 D Noncash contributions (30%)
 E Capital gain property to a 50% organization (30%)
 F Capital gain property (20%)
 G Contributions (100%)
 H Investment interest expense Form 4952, line 1
 I Deductions - royalty income Schedule E, line 19
 J Section 59(e)(2) expenditures See the Partner's Instructions
 K Excess business interest expense See the Partner's Instructions
 L Deductions - portfolio (other) Schedule A, line 16
 M Amounts paid for medical insurance (Form 1040 or 1040-SR), line 16

N Educational assistance benefits See the Partner's Instructions
 O Dependent care benefits Form 2441, line 12
 P Preproductive period expenses See the Partner's Instructions
 Q Commercial revitalization deduction from rental real estate activities See Form 8582 instructions

R Pensions and IRAs See the Partner's Instructions
 S Reforestation expense deduction See the Partner's Instructions
 T through U Reserved for future use

V Section 743(b) negative adjustments
 W Other deductions See the Partner's Instructions
 X Section 965(c) deduction

14. **Self-employment earnings (loss)**

Note: If you have a section 179 deduction or any partner-level deductions, see the Partner's Instructions before completing Schedule SE.

A Net earnings (loss) from self-employment Schedule SE, Section A or B
 B Gross farming or fishing income See the Partner's Instructions
 C Gross non-farm income See the Partner's Instructions

15. **Credits**

A Low-income housing credit (section 42(j)(5)) from pre-2008 buildings
 B Low-income housing credit (other) from pre-2008 buildings
 C Low-income housing credit (section 42(j)(5)) from post-2007 buildings
 D Low-income housing credit (other) from post-2007 buildings
 E Qualified rehabilitation expenditures (rental real estate)
 F Other rental real estate credits
 G Other rental credits

Code
 H Undistributed capital gains credit
 I Biofuel producer credit
 J Work opportunity credit
 K Disabled access credit
 L Empowerment zone employment credit
 M Credit for increasing research activities
 N Credit for employer social security and Medicare taxes
 O Backup withholding
 P Other credits

16. **Foreign transactions**

A Name of country or U.S. possession
 B Gross income from all sources
 C Gross income sourced at partner level
 Foreign gross income sourced at partnership level
 D Reserved for future use
 E Foreign branch category
 F Passive category
 G General category
 H Other

Deductions allocated and apportioned at partner level

I Interest expense Form 1116, Part I
 J Other Form 1116, Part I

Deductions allocated and apportioned at partnership level to foreign source income

K Reserved for future use
 L Foreign branch category
 M Passive category
 N General category
 O Other

Other information

P Total foreign taxes paid Form 1116, Part II
 Q Total foreign taxes accrued Form 1116, Part II
 R Reduction in taxes available for credit Form 1116, line 12
 S Foreign trading gross receipts Form 8873
 T Extraterritorial income exclusion Form 8873
 U through V Reserved for future use

- W Section 965 information
 X Other foreign transactions See the Partner's Instructions

17. **Alternative minimum tax (AMT) items**

A Post-1986 depreciation adjustment
 B Adjusted gain or loss
 C Depletion (other than oil & gas)
 D Oil, gas, & geothermal - gross income
 E Oil, gas, & geothermal - deductions
 F Other AMT items

18. **Tax-exempt income and nondeductible expenses**

A Tax-exempt interest income Form 1040 or 1040-SR, line 2a
 B Other tax-exempt income See the Partner's Instructions
 C Nondeductible expenses See the Partner's Instructions

19. **Distributions**

A Cash and marketable securities
 B Distribution subject to section 737
 C Other property

20. **Other information**

A Investment income Form 4952, line 4a
 B Investment expenses Form 4952, line 5
 C Fuel tax credit information Form 4136
 D Qualified rehabilitation expenditures (other than rental real estate)
 E Basis of energy property
 F through G
 H Recapture of investment credit
 I Recapture of other credits
 J Look-back interest - completed long-term contracts
 K Look-back interest - income forecast method
 L Dispositions of property with section 179 deductions
 M Recapture of section 179 deduction
 N Interest expense for corporate partners
 O through Y
 Z Section 199A information
 AA Section 704(c) information
 AB Section 751 gain (loss)
 AC Section 1(h)(5) gain (loss)
 AD Deemed section 1250 unrecaptured gain
 AE Excess taxable income
 AF Excess business interest income
 AG Gross receipts for section 59A(e)
 AH Other information

BALANCE POWER PARTNERS LLC	46-1615907
SCH K-1 SUPPORTING SCHEDULES PARTNER # 1 THE NOLAN GROUP, INC.	
=====	
ITEM L - RECONCILIATION OF INCOME	
=====	
TOTAL INCOME PER SCHEDULE K-1	-1,144,786.
LESS: EXPENSES RECORDED ON BOOKS, NOT INCLUDED ON SCH. K-1:	
TRAVEL AND ENTERTAINMENT	7,578.
PLUS: DEDUCTIONS ON SCH. K-1, NOT CHARGED AGAINST BOOKS:	
DEPRECIATION	55,070.
AMORTIZATION	70.

TOTAL CURRENT YEAR NET INCOME (LOSS)	-1,097,224.
	=====

ITEM L - PARTNER CAPITAL ACCOUNT ANALYSIS

=====

ITEM L OF THE PARTNER'S SCHEDULE K-1 IS KEPT ON THE GAAP BASIS

LINE 5 - INTEREST INCOME

=====

OTHER INTEREST INCOME

INTEREST INCOME	13,159.
-----------------	---------

TOTAL INTEREST INCOME	13,159.
-----------------------	---------

=====

PARTNER FOOTNOTES ASSOCIATED W/SCH. K-1, LINE 13

=====

IN ACCORDANCE WITH PROP. REG 1.163(J)-6(M), THE FOLLOWING AMOUNTS REPRESENT YOUR SHARE OF:

BUSINESS INTEREST EXPENSE	37,378.
BUSINESS INTEREST INCOME	13,159.

2016 ANNUAL GROSS RECEIPTS	382,450.
----------------------------	----------

2017 ANNUAL GROSS RECEIPTS	13,950.
----------------------------	---------

2018 ANNUAL GROSS RECEIPTS	3,615,325.
----------------------------	------------

AVERAGE GROSS RECEIPTS	1,337,242.
------------------------	------------

ADJUSTED TAXABLE INCOME FROM	-1,119,236.
------------------------------	-------------

THIS ENTITY IS EXCEPTED FROM THE SECTION 163(J) BUSINESS INTEREST EXPENSE LIMITATION UNDER THE SMALL BUSINESS EXCEPTION OF PROP. REG. SECTION 1.163(J)-6(M). PLEASE CONSULT YOUR TAX ADVISOR.

BALANCE POWER PARTNERS LLC 46-1615907
 SCH K-1 SUPPORTING SCHEDULES PARTNER # 1 THE NOLAN GROUP, INC.

=====

LINE 18C - NONDEDUCTIBLE EXPENSES

=====

TRAVEL AND ENTERTAINMENT EXPENSE NONDEDUCTIBLE 7,578.

TOTAL NONDEDUCTIBLE EXPENSES ----- 7,578.

Statement A - QBI Pass-through Entity Reporting

Corporation's/Partnership's name: BALANCE POWER PARTNERS LLC				Corporation's/Partnership's EIN: 46-1615907			
Shareholder's/Partner's name: THE NOLAN GROUP, INC.		Shareholder's/Partner's identifying number: 75-2122228					
		BALANCE POWER PAR					
		EIN: 46-1615907	EIN:	EIN:	EIN:	EIN:	EIN:
		<input type="checkbox"/> PTP	<input type="checkbox"/> PTP	<input type="checkbox"/> PTP	<input type="checkbox"/> PTP	<input type="checkbox"/> PTP	<input type="checkbox"/> PTP
		<input type="checkbox"/> Aggregated	<input type="checkbox"/> Aggregated	<input type="checkbox"/> Aggregated	<input type="checkbox"/> Aggregated	<input type="checkbox"/> Aggregated	<input type="checkbox"/> Aggregated
		<input type="checkbox"/> SSTB	<input type="checkbox"/> SSTB	<input type="checkbox"/> SSTB	<input type="checkbox"/> SSTB	<input type="checkbox"/> SSTB	<input type="checkbox"/> SSTB
Shareholder's/Partner's share of:							
QBI or qualified PTP items, subject to shareholder/partner- specific determinations:		GTB					
	Ordinary business income (loss)	-1,157,945.					
	Rental income (loss).						
	Royalty income (loss)						
	Section 1231 gain (loss).						
	Other income (loss)						
	Section 179 deduction						
	Charitable contributions						
	Other deductions						
W-2 wages		3,775,362.					
UBIA of qualified property		165,193.					
Section 199A dividends							

**Schedule K-1
(Form 1065)**Department of the Treasury
Internal Revenue Service**2019**

For calendar year 2019, or tax year

beginning ending **Partner's Share of Income, Deductions,
Credits, etc.**

▶ See back of form and separate instructions.

Part I Information About the Partnership**A** Partnership's employer identification number

46-1615907

B Partnership's name, address, city, state, and ZIP codeBALANCE POWER PARTNERS LLC
4040 NORTH CENTRAL EXPRESSWAY
DALLAS, TX 75204**C** IRS Center where partnership filed return ▶ **EFILE****D** ☐ Check if this is a publicly traded partnership (PTP)**Part II Information About the Partner****E** Partner's SSN or TIN (Do not use TIN of a disregarded entity. See inst.)

27-0475034

F Name, address, city, state, and ZIP code for partner entered in E. See instructions.MOJAY INTERESTS LLC
8830 INVERNESS PARK WAY
HOUSTON, TX 77055**G** ☒ General partner or LLC member-manager ☐ Limited partner or other LLC member**H1** ☒ Domestic partner ☐ Foreign partner**H2** ☐ If the partner is a disregarded entity (DE), enter the partner's:TIN Name **I1** What type of entity is this partner? LIMITED LIAB CO**I2** If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here ☐**J** Partner's share of profit, loss, and capital (see instructions):

	Beginning		Ending	
Profit	NONE	%	NONE	%
Loss	NONE	%	NONE	%
Capital	NONE	%	NONE	%

Check if decrease is due to sale or exchange of partnership interest ☐**K** Partner's share of liabilities:

	Beginning	Ending
Nonrecourse \$		\$
Qualified nonrecourse financing \$		\$
Recourse \$		\$

☐ Check this box if item K includes liability amounts from lower tier partnerships.**L Partner's Capital Account Analysis**

Beginning capital account. \$ NONE

Capital contributed during the year . . . \$

Current year net income (loss) \$

Other increase (decrease) (attach explanation) \$

Withdrawals & distributions \$ ()

Ending capital account \$ NONE

M Did the partner contribute property with a built-in gain or loss?☐ Yes ☒ No If "Yes," attach statement. See instructions.**N Partner's Share of Net Unrecognized Section 704(c) Gain or (Loss)**

Beginning \$

Ending \$

☐ Final K-1☐ Amended K-1

OMB No. 1545-0123

**Part III Partner's Share of Current Year Income,
Deductions, Credits, and Other Items**

1	Ordinary business income (loss)	15	Credits
2	Net rental real estate income (loss)		
3	Other net rental income (loss)	16	Foreign transactions
4a	Guaranteed payments for services		
4b	Guaranteed payments for capital		
4c	Total guaranteed payments		
5	Interest income		
6a	Ordinary dividends		
6b	Qualified dividends		
6c	Dividend equivalents	17	Alternative minimum tax (AMT) items
7	Royalties		
8	Net short-term capital gain (loss)		
9a	Net long-term capital gain (loss)	18	Tax-exempt income and nondeductible expenses
9b	Collectibles (28%) gain (loss)		
9c	Unrecaptured section 1250 gain		
10	Net section 1231 gain (loss)		
11	Other income (loss)	19	Distributions
12	Section 179 deduction		
13	Other deductions		
14	Self-employment earnings (loss)		
21	More than one activity for at-risk purposes*		
22	More than one activity for passive activity purposes*		

*See attached statement for additional information.

For IRS Use Only

PARTNER # 2 MOJAY INTERESTS LLC

Schedule K-1 (Form 1065) 2019

Page 2

This list identifies the codes used on Schedule K-1 for all partners and provides summarized reporting information for partners who file Form 1040 or 1040-SR. For detailed reporting and filing information, see the separate Partner's Instructions for Schedule K-1 and the instructions for your income tax return.

1. **Ordinary business income (loss).** Determine whether the income (loss) is passive or nonpassive and enter on your return as follows.

	Report on
Passive loss	See the Partner's Instructions
Passive income	Schedule E, line 28, column (h)
Nonpassive loss	See the Partner's Instructions
Nonpassive income	Schedule E, line 28, column (k)
2. Net rental real estate income (loss)	See the Partner's Instructions
3. Other net rental income (loss)	
Net income	Schedule E, line 28, column (h)
Net loss	See the Partner's Instructions
4a. Guaranteed payment Services	See the Partner's Instructions
4b. Guaranteed payment Capital	See the Partner's Instructions
4c. Guaranteed payment Total	See the Partner's Instructions
5. Interest income	Form 1040 or 1040-SR, line 2b
6a. Ordinary dividends	Form 1040 or 1040-SR, line 3b
6b. Qualified dividends	Form 1040 or 1040-SR, line 3a
6c. Dividend equivalents	See the Partner's Instructions
7. Royalties	Schedule E, line 4
8. Net short-term capital gain (loss)	Schedule D, line 5
9a. Net long-term capital gain (loss)	Schedule D, line 12
9b. Collectibles (28%) gain (loss)	28% Rate Gain Worksheet, line 4 (Schedule D instructions)

- 9c. **Unrecaptured section 1250 gain**
 10. **Net section 1231 gain (loss)**
 11. **Other income (loss)**

Code	
A	Other portfolio income (loss)
B	Involuntary conversions
C	Sec. 1256 contracts & straddles
D	Mining exploration costs recapture
E	Cancellation of debt
F	Section 743(b) positive adjustments
G	Section 965(a) inclusion
H	Income under subpart F (other than inclusions under sections 951A and 965)
I	Other income (loss)
12. Section 179 deduction	See the Partner's Instructions
13. Other deductions	
A	Cash contributions (60%)
B	Cash contributions (30%)
C	Noncash contributions (50%)
D	Noncash contributions (30%)
E	Capital gain property to a 50% organization (30%)
F	Capital gain property (20%)
G	Contributions (100%)
H	Investment interest expense
I	Deductions - royalty income
J	Section 59(e)(2) expenditures
K	Excess business interest expense
L	Deductions - portfolio (other)
M	Amounts paid for medical insurance
N	Educational assistance benefits
O	Dependent care benefits
P	Preproductive period expenses
Q	Commercial revitalization deduction from rental real estate activities
R	Pensions and IRAs
S	Reforestation expense deduction
T	through U
V	Section 743(b) negative adjustments
W	Other deductions
X	Section 965(c) deduction
14. Self-employment earnings (loss)	

Note: If you have a section 179 deduction or any partner-level deductions, see the Partner's Instructions before completing Schedule SE.

- A Net earnings (loss) from self-employment
 B Gross farming or fishing income
 C Gross non-farm income

15. Credits	
A	Low-income housing credit (section 42(j)(5)) from pre-2008 buildings
B	Low-income housing credit (other) from pre-2008 buildings
C	Low-income housing credit (section 42(j)(5)) from post-2007 buildings
D	Low-income housing credit (other) from post-2007 buildings
E	Qualified rehabilitation expenditures (rental real estate)
F	Other rental real estate credits
G	Other rental credits

Code	Report on
H	Undistributed capital gains credit
I	Biofuel producer credit
J	Work opportunity credit
K	Disabled access credit
L	Empowerment zone employment credit
M	Credit for increasing research activities
N	Credit for employer social security and Medicare taxes
O	Backup withholding
P	Other credits

16. **Foreign transactions**
- A Name of country or U.S. possession
 B Gross income from all sources
 C Gross income sourced at partner level
Foreign gross income sourced at partnership level
 D Reserved for future use
 E Foreign branch category
 F Passive category
 G General category
 H Other

Deductions allocated and apportioned at partner level	
I	Interest expense
J	Other

- Deductions allocated and apportioned at partnership level to foreign source income*
- K Reserved for future use
 L Foreign branch category
 M Passive category
 N General category
 O Other
- Other information*
- P Total foreign taxes paid
 Q Total foreign taxes accrued
 R Reduction in taxes available for credit
 S Foreign trading gross receipts
 T Extraterritorial income exclusion through V

- W Section 965 information
 X Other foreign transactions

17. **Alternative minimum tax (AMT) items**
- A Post-1986 depreciation adjustment
 B Adjusted gain or loss
 C Depletion (other than oil & gas)
 D Oil, gas, & geothermal - gross income
 E Oil, gas, & geothermal - deductions
 F Other AMT items

18. **Tax-exempt income and nondeductible expenses**
- A Tax-exempt interest income
 B Other tax-exempt income
 C Nondeductible expenses

19. **Distributions**
- A Cash and marketable securities
 B Distribution subject to section 737
 C Other property

20. **Other information**
- A Investment income
 B Investment expenses
 C Fuel tax credit information
 D Qualified rehabilitation expenditures (other than rental real estate)
 E Basis of energy property through G
 H Recapture of investment credit
 I Recapture of other credits
 J Look-back interest - completed long-term contracts
 K Look-back interest - income forecast method
 L Dispositions of property with section 179 deductions
 M Recapture of section 179 deduction
 N Interest expense for corporate partners through Y
 Z Section 199A information
 AA Section 704(c) information
 AB Section 751 gain (loss)
 AC Section 1(h)(5) gain (loss)
 AD Deemed section 1250 unrecaptured gain
 AE Excess taxable income
 AF Excess business interest income
 AG Gross receipts for section 59A(e)
 AH Other information

BALANCE POWER PARTNERS LLC 46-1615907
SCH K-1 SUPPORTING SCHEDULES PARTNER # 2 MOJAY INTERESTS LLC

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ITEM L - PARTNER CAPITAL ACCOUNT ANALYSIS

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ITEM L OF THE PARTNER'S SCHEDULE K-1 IS KEPT ON THE GAAP BASIS